

**Committee on Finance, Revenue, and Bonding- S.B. 29 AN ACT
CONCERNING THE EARNED INCOME TAX CREDIT**

To the committee members on Finance, Revenue, and Bonding, hello, my name is Paola Vargas. I am a graduate student at the University of Connecticut (UCONN) school of social work, and I hope to be graduating this May. My internship placement is with RACCE (Radical Advocates for Cross-Cultural Education). I am writing to support S.B. No 29- An Act Concerning the Earned Income Tax Credit.

We are in the tail end (hopefully) of the COVID-19 pandemic, but we are still dealing with the inflation in the cost of living, rent, food, and gas. Many Connecticut residents are struggling to keep up with their expenses. Families who spend the majority of their income on housing and childcare often cannot afford to receive medical attention, prescription drugs, and healthier but perishable food like fresh fruits and vegetables. Increasing the EITC would help offset the recent increased cost of everything; The cost of food in the United States increased by 7 percent, the rent has seen an increase of 11%, and gas prices have increased by 50%.

Bhattarai, A. (2022, January 12). *Four ways Americans are feeling inflation*. The Washington Post. Retrieved March 7, 2022, from <https://www.washingtonpost.com/business/2022/01/12/inflation-food-gas-housing-healthcare/>

Dwellsy. (2022, January 3). *Inflation hits renters: 11% overall rent increase in 2021*. GlobeNewswire News Room. Retrieved March 7, 2022, from <https://www.globenewswire.com/news-release/2022/01/03/2360100/0/en/Inflation-Hits-Renters-11-Overall-Rent-Increase-in-2021.html>

The expansion of the EITC is imperative to help families out of poverty. Amending section 12-704e of the general statutes, from 30.5% to 41.5%, could be the difference between a family being able to afford to place their child in a summer program or make renovations to their home. So I hope you understand this is monumental. I ask this committee to pass S.B No 29 and increase the EITC to 41.5%. Thank you for your time.

Best regards,

Paola Vargas

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